



**DEFENSE FINANCE AND ACCOUNTING SERVICE
ARLINGTON**

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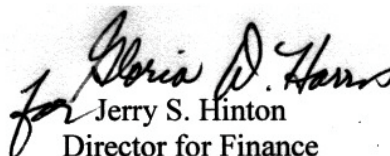
DFAS-DFM

**MEMORANDUM FOR OFFICE OF THE UNDER SECRETARY OF DEFENSE
(COMPTROLLER)(ODCFO)(FP)
DIRECTOR, MILITARY PAY OPERATIONS, DEFENSE
FINANCE AND ACCOUNTING SERVICE (PM/CL)**

**SUBJECT: Interim Change to the DoDFMR, Vol. 7A, Chapter 5, Regarding FY 2003
Specialty Changes and Annual Rate Increases for Medical Officers (DFAS Item
L—70)**

Attached is Interim Change 12-03 to Chapter 5 the DoDFMR, Vol. 7A. This change incorporates FY2003 specialty changes and rate changes for medical officers and is effective October 1, 2002, unless otherwise specified.

This is a routine change and the result of directed action. A draft of this change was not provided for comments. Assignment of the interim change number is your authority to initiate a procedural modification to implement this change. Use the attached to initiate the formal change to the DoDFMR, Volume 7A.


Jerry S. Hinton
Director for Finance

Attachment:
As stated

cc: OUSD(C)(ODCFO)(FP)
DASD (MPP)(Comp)
ODGC (F)
Service Liaisons
USCG/NOAA/PHS Liaisons
DFAS-DDM/CL
DFAS-PMA/CL
DFAS-PMJE/DE

SPECIAL PAYS FOR MEDICAL OFFICERS**1. Make the following changes to the Table of Contents:**

- a. Delete paragraph 0507, Medical Officer Retention Bonus**
- b. Add a new paragraph reference to read as follows:**

“0511 Critical Skills Retention Bonus (CSRB)”

2. Revise paragraph 050102 with the following:

“050102. Rates Payable. See Table 5-1 for the monthly rates payable.”

3. Revise paragraph 050202 with the following:

“050202. Rates Payable. See Table 5-2 for the monthly rates payable.”

4. Insert new subparagraph 050405 C. to read:

“C. Effective October 1, 2002, the amounts payable to an officer entitled to ISP may be paid in accordance with Table 5-3 below.

5. Add a new paragraph 050406 D. to read:

“D. Subject to acceptance by the Secretary of the Military Department concerned (or designee), a medical officer eligible for, but not under an MSP agreement, may enter into a new one-year ISP agreement at the FY 02 rate (To receive the FY 03 rate while eligible for MSP, an MSP contract must be executed). If a member is not eligible for MSP, the FY 03 rate applies. Termination of a current ISP contract prior to its expiration can only be done in conjunction with execution of a new MSP contract.”

6. Reverse the order of paragraphs 050602 and 050603 and renumber as applicable.**7. Delete section 0507 in its entirety and renumber section 0508 as new 0507.**

8. Renumber paragraphs 050801 through 050806 as 050701 through 050706.

9. Revise 050701 (old 050801) to read:

“050701. Authorization and Entitlement. Medical officers who are fully qualified in a designated specialty and who meet the provisions of this section are eligible to enter into a written agreement for MSP. Subject to acceptance by the Secretary of the Military Service concerned (or designee), a medical officer with an existing MSP contract may terminate that contract in order to enter into a new MSP contract, with an equal or longer obligation, at the MSP annual rate in effect at the time of execution of the new MSP contract. Any unearned portion of the terminated contract shall be recouped. The earliest effective date for existing contracts under this authority is October 1, 1992.

10. Revise paragraphs 050703 through 050705 (old 050803 through 050805) to read:

“050703. Eligibility Criteria. A medical officer who is below the grade of 0-7, and:

- A. Has a current, valid, unrestricted license or approved waiver, and
- B. Has at least 8 years of creditable service, or has completed any active duty service commitment incurred for medical education and training, and
- C. Has completed initial residency training or is scheduled to complete initial residency training before October 1, 2002, and
- D. Executes a written agreement to remain on active duty for 2, 3, or 4 years, that is accepted by the Secretary of the Military Department concerned (or designee).

Note: Based on Service unique requirements, the Secretary concerned (or designee), may decline to offer MSP to any specialty that is otherwise eligible or restrict the length of an MSP contract for a specialty to less than 4 years.

050704. Service Obligation. Active duty service obligations for MSP will be established as follows:

- A. The officer must sign a written agreement to stay on active duty for either 2, 3, or 4 years, as applicable. The duration of the agreement will determine the amount payable.
- B. Active duty obligations (ADO) for education and training and previous MSP agreements will be served before serving the ADO for MSP. The MSP ADO is served after any other existing ADO for education and training has been completed.

C. When no education and training ADO exists at the time of an MSP agreement execution, the ADO for MSP is served concurrently with the MSP agreement period and all other non-education and training ADOs. Also, if the MSP agreement is executed before the start date of fellowship training and no other education and training ADO exists, the MSP ADO is served concurrently with the MSP agreement period. However, if the MSP agreement is executed on or after the start date of the fellowship training, the physician is obligated for the full fellowship period and the MSP ADO will begin one day after the fellowship ADO is completed. Once a physician has begun to serve an MSP ADO it will be served concurrently with any existing ADO including obligations for other special pay agreements or medical education and training obligations incurred after the execution date for that particular MSP agreement.

D. Obligation for Additional Special Pay, Incentive Special Pay may be served concurrently with any other service obligation.

050705. Payments and Rates Payable

A. Annual payment amounts for multiyear contracts beginning in FY 03 will be the amounts published by the Military Departments in conjunction with DoD Instruction 6000.13, "Medical Manpower and Personnel" (reference (r)). Subspecialties of a primary specialty are included with the primary specialty. Medical officers may be paid at the rate for any specialty for which they currently have credentials; the MSP and ISP specialty must be the same.

B. Payment is due upon acceptance of the agreement by the Secretary of Military Service concerned (or designee). Thereafter, payments are due on the anniversary date of the effective date of the agreement for the term of the agreement (i.e., 2, 3, or 4 years).

C. The ASD (HA), in conjunction with the Military Departments, will reassess the assignment of specialties to each category every 2 years and direct changes as appropriate to support desired staffing levels."

11. Add a new paragraph 050705 D. to read:

"D. Rates Payable. See Table 5-4.

12. Renumber section 0509 as 0508.

13. Renumber paragraphs 050901 through 050904 as 050801 through 050804.

14. Replace paragraph 050802 (old 050902) with the following:

"050802. Rates Payable. See Table 5-5 for the monthly rates payable.

- 15 Renumber section 0510 as 0509.
16. Renumber paragraphs 051001 and 051002 as 050901 and 050902.
17. Revise paragraph 050902 (old 051002) with the following:
- “050902. Rates Payable. See Table 5-6 below.
18. Insert the following new Table 5-1 through 5-6.

VARIABLE SPECIAL PAY (VSP) FOR MEDICAL OFFICERS		
R U L E	A	B
	If the officer is/has	then the monthly rate payable is
1	an intern	\$100.00
2	has less than 6 years of creditable service and is not an intern	\$416.67
3	6 but less than 8 years	\$1,000.00
4	8 but less than 10 years	\$958.33
5	10 but less than 12 years	\$916.67
6	12 but less than 14 years	\$833.33
7	14 but less than 18 years	\$750.00
8	18 but less than 22 years	\$666.67
9	22 or more years	\$583.33
10	serving in a pay grade above 0-6 regardless of the years of creditable service	\$583.33

Table 5-1.Variable Special Pay (VSP) for Medical Officers

BOARD CERTIFIED PAY (BCP) FOR MEDICAL OFFICERS		
R U L E	A	B
	If the officer has	then the monthly rate payable is
1	less than 10 years of creditable service	\$208.33
2	10 but less than 12 years	\$291.67
3	12 but less than 14 years	\$333.33
4	14 but less than 18 years	\$416.67
5	18 or more years of creditable service	\$500.00

Table 5-2. Board Certified Pay (BCP) for Medical Officers

INCENTIVE SPECIAL PAY (ISP) FOR MEDICAL OFFICERS			
R U L E	A	B	C
	If the medical officer's specialty is	and the FY 03 multiyear special pay level is	then the FY 03 annual amount payable is
1	anesthesiology	1	\$36,000
2	dermatology		18,000
3	emergency medicine		26,000
4	family practice		13,000
5	gastroenterology		26,000
6	general surgery		29,000
7	internal medicine		14,000
8	neurology		14,000
9	neurosurgery		36,000
10	OB/GYN		31,000
11	ophthalmology		28,000
12	orthopedics		36,000
13	otolaryngology		30,000
14	pathology		16,000
15	pediatrics		12,000
16	Prev/Occ/Phys Med & Aero Med		13,000
17	psychiatry		15,000
18	radiology		36,000
19	Subspecialty Category I		36,000
20	Subspecialty Category II		28,000
21	Subspecialty Category III		23,000
22	Subspecialty Category IV		14,000
23	urology		28,000

Table 5-3. Incentive Special Pay for Medical Officers

MULTIYEAR SPECIAL PAY (MSP) FOR MEDICAL OFFICERS

R U L E	A	B			
	If the officer enters into an MSP agreement for	then the amount payable for (note)			
		Level 1	Level 2	Level 3	Level 4
1	4 years	\$14,000.00	\$10,000.00	\$8,000.00	\$0
2	3 years	\$13,000.00	9,000.00	7,000.00	\$0
3	2 years	\$12,000.00	8,000.00	6,000.00	\$0

NOTE:

Levels 2, 3, and 4 are not used in fiscal year 03.

Table 5-4. Multiyear Special Pay (MSP) for Medical Officers**BOARD CERTIFIED PAY (BCP) FOR NONPHYSICIAN HEALTH CARE PROVIDERS**

R U L E	A	B
	If the officer has	then
		the monthly rate payable is
1	less than 10 years of creditable service	\$166.67
2	10 but less than 12 years of creditable service	208.33
3	12 but less than 14 years of creditable service	250.00
4	14 but less than 18 years of creditable service	333.33
5	18 or more years of creditable service	416.67

Table 5-5. Board Certified Pay (BCP) for Nonphysician Health Care Providers**DIPLOMATE PAY FOR PSYCHOLOGISTS**

R U L E	A	B
	If an officer has	then
		the monthly rate payable is
1	less than 10 years of creditable service	\$166.67
2	10 but less than 12 years of creditable service	208.33
3	12 but less than 14 years of creditable service	250.00
4	14 but less than 18 years of creditable service	333.33
5	18 or more years of creditable service	416.67

Table 5-6. Diplomate Pay for Psychologists

19. In the bibliography:

- a. Revise paragraph 050405 as follows:

<u>Paragraph</u>	<u>Citation</u>
050405	37 U.S.C. 302(e)

- b. Add an entry for 050406.D as follows:

<u>Paragraph</u>	<u>Citation</u>
050406.D	ASD(HA) Memo, August 9, 2002

- c. Delete all references to section 0507.
- d. Renumber section 0508 through 0510 as 0507 through 0509.

- e. Renumber paragraph 050801 as 050701.

- f. Renumber paragraph 050803 as 050703.

- g. Revise paragraph 050705.D as follows:

<u>Paragraph</u>	<u>Citation</u>
050705.D	ASD(HA) Memo, August 9, 2002

- h. Renumber paragraph 050806 as 050706.
- i. Renumber paragraph 050901 as 050801.
- j. Renumber subparagraphs 050901.C.17 and 050901.C.18 as 050801.C.17 and 050801.C.18 respectively.

- k. Renumber subparagraphs 050904.A.1 and 050904.A.4 as 050804.A.1 and 050804.A.4 respectively.

- l. Renumber section 0510 as 0509.

- m. Renumber paragraph 051001 as 050902.

n. Add an entry for paragraph 050902 as follows:

<u>Paragraph</u>	<u>Citation</u>
050902	ASD(HA) Memo, August 9, 2002

o. Add the following new entries:

<u>Paragraph</u>	<u>Citation</u>
Table 5-1	ASD(HA) Memo, August 9, 2002
Table 5-2	ASD(HA) Memo, August 9, 2002
Table 5-3	ASD(HA) Memo, August 9, 2002
Table 5-4	ASD(HA) Memo, August 9, 2002
Table 5-5	ASD(HA) Memo, August 9, 2002
Table 5-6	ASD(HA) Memo, August 9, 2002